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Desirable Business Policies For Today Suggested

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Wholesalers have two major viewpoints on today's market. One sets the course in days and the other in years, one is the quick viewpoint and the other is the long-range viewpoint. We who are in the hardware business are there because we like it, and because it provides a living for us and our families now—and opportunities in the future. Therefore, we must carefully chart both the short and the long course and so organize our effort that, come fair weather or storm, we shall always be going in the right direction.

Because of a community of interest, the same broad viewpoints on today's markets are shared by the manufacturer, the wholesaler, the dealer, and the customer. The manufacturer through his use of science, invention, and production, the wholesaler with his rapid and economical distribution, and the dealer by his up-to-date, friendly, and cooperative effort cooperate in the profitable disposition of their merchandise. In this rapidly changing economy, no one group can isolate itself or dictate what is to be manufactured or sold—although, in the last analysis, the consumer is the controlling factor.

The present physical position of hardware dealers is pretty fair. Most dealers have expanded their quarters and dressed up their furnishings; certain labor-saving devices and equipment have been bought, because dealers have learned from the scarcity of available intelligent help and high wage rates that each year they must handle more and more of their merchandise mechanically. Presumably most of these improvements are now paid for, or are financed by a mortgage amortized on a budgeted-payment plan.

The type of merchandise carried and considered staple has changed considerably during the past ten years, because of science and invention, better avenues of transportation and communication, and more risk money in the country. Inventory is scientifically computed, and, though currently probably topheavy in spots, records show just where it is out of balance. Dealers should now be in the process of reducing inventory to proper levels.

During periods such as the past ten years, when orders were plentiful, goods scarce, prices high, and profit margins liberal, no company or individual paid too much attention to ordinary operating problems. But when sales fall off, we must adjust our method of operation to meet

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Current Business Trends in Oregon.

Population of Oregon in 1948 And 1960 Estimated

By ELON H. MOORE and JOHN F. STAEHLE*

The great increase in the population of Oregon during the eight years 1940-1948 combines over 216,000 contributed by natural increase and some 308,000 migrants to the state. The first contribution is the local expression of the phenomenal natural increase, national in scope, which occurred during war and postwar years. The migrant increase may be attributed to many factors, of which war employment, the heavy cutting and processing of timber, and favorable climate rank high.

However, a favorable migration is the result also of other factors often unrelated to the attractions of a "promised land." A migration depends upon two general factors—*an incentive to come* and *a freedom to leave.* For Oregon the incentive to come will remain as long as the factors of climate, labor, and living pattern are generally regarded as favorable. Freedom to leave the home community, on the other hand, is tied to family, social, and economic relationships. Perhaps the factor most general in determining this freedom to leave is the ability to effect a favorable liquidation of assets in the home community. During boom years this is easily accomplished. The reverse is true in periods of recession. Unless we assume a continuing price rise, it stands to reason that favorable liquidation will become increasingly difficult in the years ahead. During the 1940s much of the property liquidated had been acquired at lower price levels; but the assets acquired during the 1940s will, during the 1950s, doubtless command prices lower than their cost and thus reduce the freedom to leave.[1]

The favorable employment market and the possibility of favorable liquidation has no doubt greatly swelled the migrant streams into Oregon in recent years. Should we arrive at a condition of uncertain employment and unfavorable liquidation, not only will the volume of this stream be reduced but it will largely become more age-centered—with a higher proportion of young adults large-

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*Dr. Moore is the head of the Department of Sociology at the University of Oregon; Mr. Staehle is a teaching fellow at the University. The study was prepared for the Pacific Coast Board of Intergovernmental Relations.

[1] A declining price level may deter liquidation of assets even though the sale price of assets exceeds the cost. The person who could have sold his house for $10,000 in 1946 may in 1950 refuse $8,000 even though the latter offer exceeds his original cost.

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Population of Oregon in 1948 And 1960 Estimated

(Continued from page 1)

ly without assets to liquidate and retirants with less concern over employment.

It is the purpose of this paper to arrive at an estimate of the total population of the state in 1948 and 1960 and also to determine the approximate number in various age groups.

Oregon's Population in 1948. The increase in population that the state has experienced since 1940 has been due, obviously, to births and migration in excess of the number of deaths in the state.

The number of births per year in Oregon has increased from 17,522 in 1940 to 36,597 in 1947. On the basis of the number of births for the first eight months of 1948, the number of births for this year may be estimated at about 35,500.[2]

Since the annual number of births is known, the problem for the population estimater is to determine how much each one-year age group has gained since birth through an excess of migration over a loss due to death. It is generally agreed that the first reliable school census figure for an age group is that for 6-year olds. Nearly all of the 6-year olds on the 1947 school census, which is the latest available, were born in 1941; in that year there were 18,784 births in the state. The school census of 1947 reports 24,859 6-year olds or an annual gain of 4.8 per cent.[3] The school district of Portland, however, has been reporting the same number in each age group since 1944.[4] The number of 6-year olds on this latest census is for this reason probably low.

For the last four years Portland has reported 5,203 6-year olds each year.[5] If Portland has in fact a number of 6-year olds in the same proportion as in the school population of the rest of the state, the district would have 5.517 in the 6-year age group—that is, if Portland's total school census, which has been the same for four years, reflects an actually static school population. This would give the state a total number of 6-year olds in 1947 of 25.173, or an increase over births in 1941 of almost exactly 34 per cent and an annual growth rate of 5 per cent. (A slightly higher school census in Portland and the 1944 age distribution would also produce about this same number of 6-year olds.)

[2] Bureau of the Census, *Monthly Vital Statistics Bulletin*, March-Sept. 1948.

[3] School-census data for 1946 and 1947 will be published in the *Thirty-Eighth Biennial Report of the Superintendent of Public Instruction for the School Years Ending June 1947 and 1948.*

[4] Under Oregon law school districts the size of Portland are required to take a census only every five years.

[5] Portland Public Schools, *Seventy-Third Annual Report 1945-46*, p. 33.

For the determination of mortality and immigration for this group, it was decided that the "United States Life Tables 1939-1941"[6] were too high in the infant and early childhood years and use was made of two other reports.

Whelpton reports the following mortality for whi' males in Oregon, 1939-1941:[7]

Age	*Mortality*
0-4	35.6
1-4	2.0

For 1944 the Bureau of the Census reported Oregon's infant mortality at 30.5.[8] A combination of the two reports for the first five age groups and use of average mortality from the life tables for the remainder produced the mortality data shown in Table I.

TABLE I

Age	*Male**	*Female**	*Adjusted or Average*	*Number Beginning Yr. of Age*	*Number Dying in Year*
0- 1	48.12	37.89	30.50†	100,000	3,050
1- 2	4.87	4.32	3.00†	96,950	291
2- 3	2.65	2.20	2.25†	96,659	217
3- 4	1.90	1.61	1.50†	96,442	145
4- 5	1.53	1.28	1.25†	96,297	120
5- 6	1.38	1.10	1.24	96,177	119
6- 7	1.24	.96	1.10	96,058	106
7- 8	1.14	.85	1.00	95,952	96
8- 9	1.06	.77	.92	95,856	88
9-10	1.02	.72	.87	95,768	83
10-11	1.00	.70	.85	95,685	81
11-12	1.01	.70	.86	95,604	82
12-13	1.06	.72	.89	95,522	85
13-14	1.14	.77	.98	95,437	92
14-15	1.27	.86	1.07	95,345	102
15-16				95,243	

* From Bureau of the Census, "United States Life Tables, 1939-1941," *op. cit.*, pp. 38-40.

† Adjusted according to data in P. K. Whelpton, *Forecast of the Population of the United States 1945-1975*, p. 6. Remainder of column is made up of averages of the first two columns.

If 3.94 per cent is allowed for mortality, the migration figure for 6-year olds would be as follows:

1941 births	18,784
1947 six-year olds	25,173
Net increase of	34.01%
Mortality	3.94%
Migration increase	37.95%

A migration increase of 37.95 per cent in six years indicates an annual rate of growth of over 5.51 per cent. This and the mortality data in Table I form the basis for estimating the 1948 population, 0-7 years of age, as shown in Table II.

TABLE II

Age in 1948	*Number at Birth*	*Migration*	*Mortality Since Birth*	*1948 Estimate*
0-1	35,500 (Est.)			35,500 (Est.)
1	36,597*	1.0551	.0305	37,497
2	30,291	1.1133	.0334	32,711
3	24,314	1.1745	.0356	27,691
4	23,444	1.2393	.0370	28,187
5	25,380	1.3075	.0382	32,215
6	22,283	1.3796	.0394	29,864
7	18,784	1.4556	.0405	26,581
	216,593			250,246

* Provisional.

Within the limits of the school census the number in the ages 8 through 17 is fairly well known. In 1940 the Federal census[9] reported an Oregon population of 76,109 for the ages 0-4. Seven years later the state school census

[6] Bureau of the Census, "United States Life Tables, 1939-1941," *Vital Statistics—Special Reports*, XIX, 1944, pp. 38-40.

[7] P. K. Whelpton, *Forecast of the Population of the United States 1945-1975*, Washington, D. C., 1947, p. 6.

[8] Bureau of the Census, "Oregon Summary of Vital Statistics," *Vital Statistics—Special Reports*, XXIV, June 1946, pp. 733-734.

[9] Bureau of the Census, *Sixteenth Census of the United States, 1940*, II, 5, p. 967.

reported 112,103 for the ages 7-11. This is an increase of 47.3 per cent or an annual growth rate of 4.96 per cent. The 12 through 16-year olds number 101,647 on the school census in 1947, as compared with 73,209 on the 1940 Federal census for the ages 5 through 9. This is an increase of 38.8 per cent or an annual growth rate of 4.46 per cent.

The limitation of the above calculations is that they include the Portland school district which, as previously noted, has reported exactly the same number in each age group since 1944 and will continue to do so until late in 1949. This being the case, an estimate was made for the state outside of the Portland school district.

In the state outside of Portland there were, in 1946, 84,911 in the 6 to 10-year age group; in 1947 there were 89,374 in the 7 to 11-year age group, a gain of 5.25 per cent. A continuation of this gain for 1948 would give 94,066 in the 8 to 12-year age group.

Similarly, in 1946 there were 75,385 in the 11 to 15-year age group and, in 1947, 78,378 in the 12 to 16-year age group, or a gain of 3.97 per cent. A continuation of this gain for 1948 would mean that there are 81,390 in the 13 to 17-year age group in the state outside of Portland. With the addition of 45,901 from the Portland school census, the total number of 8 to 17 year olds would be 221,457 (see Table III).

TABLE III

	Age in 1948	School Census 1946	School Census 1947	Gain	Estimate 1948
Outside Portland	8-12	84,911	89,374	5.25%	94,066
In Portland	8-12	22,459	22,459		22,459
Total	8-12				116,525
itside Portland	13-17	75,385	78,378	3.97%	81,490
. Portland	13-17	23,442	23,442		23,442
Total	13-17				104,932
Total	8-17				221,457

No attempt has been made to adjust the Portland school-census figures; but the following may be of interest and might furnish a basis for estimating the Portland census, though the effect of such adjustment on the total census would be small. Portland's regular elementary classes for the year ending June 1947, as compared with the school year ending June 1944, show a decrease in average daily membership of 2.2 per cent and an increase in average daily attendance of 0.2 per cent. The high schools, comparing the same school years, show an increase in average daily membership of 5.6 per cent and an increase in average daily attendance of 7.0 per cent.[10] Probably neither of these two measures reflect what the school census would be if one were taken this year. The change in the elementary schools is small and some authorities believe that the numbers in the elementary, and especially the primary-school ages, are on the increase. Varying numbers of out-of-district pupils in the high schools of the city make any adjustment in these years difficult. Data on Portland tuition pupils are not available.

In estimating the age groups over 17, the following procedure has been used: First, by means of life tables, the anticipated percentage loss, 1940-1948, in each age group due to mortality was established;[11] second, an annual growth rate for each group of 3.5 per cent per year, an increase of 31.7 per cent in eight years, was assumed; third the rate of loss due to mortality and the rate of increase due to migration were combined and used to increase the 1940 population to its 1948 estimate. The result is shown in Table IV.

TABLE IV

Age in 1940	1940 Census	Per Cent Mortality	Per Cent Net Increase	Age in 1948	1948 Estimate
10-14	81,987	— 1.0	30.7	18-22	107,157
15-19	92,358	— 1.5	30.2	23-27	120,250
20-24	90,502	— 1.7	30.0	28-32	117,653
25-29	91,166	— 1.9	29.8	33-37	118,333
30-34	83,859	— 2.7	29.0	38-42	110,758
35-39	77,565	— 3.7	28.0	43-47	99,283
40-44	75,718	— 5.6	26.1	48-52	95,480
45-49	75,091	— 7.8	23.9	53-57	93,037
50-54	70,939	—11.5	20.2	58-62	85,978
55-59	60,071	—16.6	15.1	63-67	69,142
60-64	48,382	—23.9	7.8	68-72	52,156
65-69	37,085	—34.6	— 2.9	73-77	36,009
70-74	26,650	—48.5	—16.8	78-82	22,172
75+	28,993	—77.3	—45.6	83+	15,772
	940,366				1,143,180

From these age-group estimates the total poulation can be estimated, as shown in Table V. The total of 1,614,883 is very close to the Federal intercensal estimate of 1,626,000.[12] Our figure represents a 48.2 per cent increase over Oregon's population of 1,089,684 in 1940 and an annual growth rate of 5.04 per cent per year.

TABLE V

Age in 1948	Population 1940 (Federal Census)	Estimate 1948	Excess of Migration Over Mortality
0- 7	(216,593 births)	250,246	33,653
8-17	149,318	221,457	72,139
18+	940,366	1,143,180	202,814
	1,089,684	1,614,883	308,606

The estimates in each age group, as indicated in the data, lack preciseness as to an exact 1948 date. The first group, age 0-7, by the nature of the data, belongs toward the end of the year. The number of births for each year since 1940 are listed for calendar years, and were advanced by comparing school-census data which are gathered in late October of each year.

The second group, 8-17, was computed entirely from school-census data and is really an estimate of the school-census for the year. In working with the school-census data, the fact had to be recognized that below 6 and above 16 there is considerable underenumeration. In dealing with actual data these limitations have been observed, using for the first one-half of the 8-17 age group, 6 to 10 years of age in 1946, 7 to 11 in 1947, and estimating for the group 8 to 12 years of age in 1948. Similarly the oldest age group considered for the second one-half of this group was the 1947 12 to 16 year olds; the 1948 population 13 to 17 years of age was estimated.

The estimated population 18 years of age and over is based on 1940 census data, which was determined as of April 1 of that year. To these data eight years' increase and eight years' mortality were added to produce the estimate for 1948; consequently, this part of the estimate belongs earlier in 1948 than that for the younger ages. Even if the 3.5 per cent estimated annual rate of increase due to migration is a correct average for the entire group, it undoubtedly is not as evenly distributed as the tabulations here indicate.

Since 1940, as Table II indicates, there have been ap-

[10] Portland Public Schools, *Seventy-First Annual Report*, pp. 75-76, and *Seventy-Fourth Annual Report*, pp. 74-75.

[11] Bureau of the Census, "United States Life Tables 1939-1941," *op. cit.*, pp. 38-41.

[12] Bureau of the Census, "Provisional Estimate of the Population of the United States by Regions, Divisions, and States: July 1, 1948," *Population Estimates*, Series P-25, No. 14.

proximately 216,593 births. According to the estimate given here, there now are 250,246 children in Oregon of ages from under one year through 7 years. This indicates an increase of 33,653 due to an excess of migration over mortality. Other additions to the 1940 population are shown in Table V. The increase of population in the state since 1940 can be summarized as follows:

Excess of migration over Mortality (all ages)	308,606	28.3%
Births 1941-1948 inclusive	216,593	19.9%
Total increase	525,167	48.2%

Of the 48.2 per cent increase since 1940, about 28.3 per cent is due to migration and about 19.9 per cent is due to births. The annual migration rates used in this study are:

0- 7	5.51% since birth.
8-12	5.25% based on 1946-47; applied to 1947-48
13-17	3.97% based on 1946-47; applied to 1947-48
18 and over	3.5% since 1940

As can be seen from Table VI, the lower ages, the group born since 1940, has the greatest numerical importance. The group now aged 3 through 7 comprises 9.0 per cent of the total estimate. The group below 3 comprises 6.5 per cent of the estimate; this, however, is proportional to 10.8 per cent if it were a five-year instead of a three-year age grouping. The age group 4 years old and under equals 10.0 per cent of the estimated total population.

TABLE VI

Age 1940	1940: Per Cent of Total Pop.	Age 1948	1948: Per Cent of Estimate
		0- 2	6.5 (10.8)*
—	—	(0- 4)	(10.0)†
—	—	3- 7	9.00
0- 4	7.0	8-12	7.2
5- 9	6.7	13-17	6.5
10-14	7.5	18-22	6.6
15-19	8.5	23-27	7.4
20-24	8.3	28-32	7.3
25-29	8.4	33-37	7.3
30-34	7.7	38-42	6.9
35-39	7.1	43-47	6.1
40-44	6.9	48-52	5.9
45-49	6.9	53-57	5.8
50-54	6.5	58-62	5.3
55-59	5.5	63-67	4.3
60-64	4.4	68-72	3.2
65-69	3.4	73-77	2.2
70-74	2.4	78-82	1.4
75 +	2.7	83 +	1.0
			99.9

* Proportional figure if transferred to a five-year basis.
† Computed for comparison with conventional age grouping.

As can be seen from the data (see Figure 1), the age group born between 1945 and 1950 will be the largest this state has ever experienced. The age groups below 3 years now total 105,708; on a five-year basis this is proportional to 176,180.[13]

In 1940 the number of persons in the child-bearing ages 15 through 44 totaled 511,168. For 1948 the group aged 18-47 is estimated at 673,434. How the lower-age groups compare with these is indicated in Table VII; the figures show a greater proportion of children in 1948 than in 1940.

TABLE VII

1940 Per Cent of 15-44		1948 Per Cent of 18-47	
10-14	16.0%	13-17	15.6%
5- 9	14.3	8-12	17.3
0- 4	14.9	3- 7	21.5
0-14	45.2	3-17	54.4

According to the estimates in this report, the birth rate in 1948 will be 22.0, which is down a little from the provisional rate for 1947 of 24.1, but higher than any other previous rate since 1919.[14]

Oregon's Population in 1960. In the 1948 estimate varying rates of migration were used for different age groups. Three migration estimates for 1960 have been made, on the basis of three different assumptions regarding future migration: (1) an equal distribution through all ages of a 1 per cent annual rate of immigration, (2) an equal distribution through all ages of a 2 per cent annual rate of immigration, and (3) an unequal distribution of immigration, with a 2 per cent annual rate of net immigration for ages 20-34 and 60 and over, and 1 per cent for all other ages. The ages chosen for heavier migration in estimate (3) were selected on the assumption that they are somewhat more mobile.

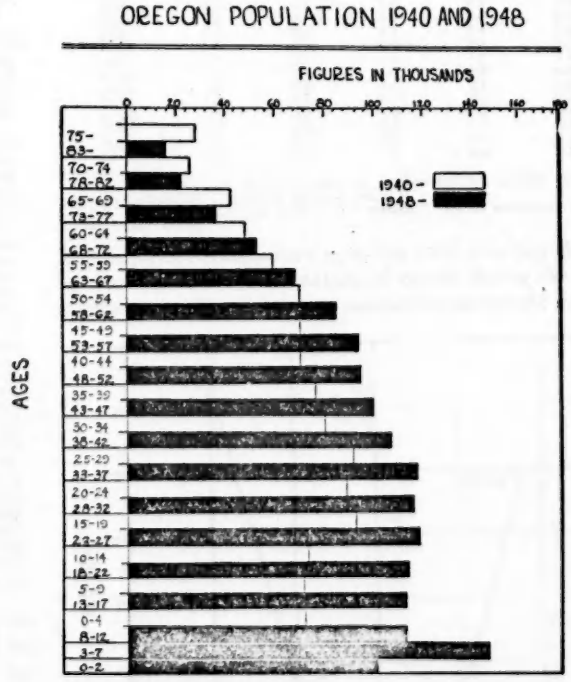


FIGURE 1. CHANGES IN SIZE OF IDENTICAL AGE GROUPS

Assumptions were also made regarding births during the period 1949-1960. The basis adopted calls for a de-

[13] These predictions are somewhat at variance with earlier estimates of the future age composition of the nation. While no attempt is made here to estimate the present and future population of the United States, attention is called to the fact that, for the country as a whole, Whelpton estimated that, with medium fertility and mortality in 1948, the age group 0-4 and the age group 5-9 would be equal and that each would represent 9.0 per cent of the total. It was also anticipated that by 1960 the group aged 15 through 19 would be the largest group, as it was in 1940. It would appear that in Oregon the group ages 10 through 14 will be the larger in 1960. P. K. Whelpton, *op. cit.*, p. 73.

[14] Bureau of the Census, *Vital Statistics Rates in the United States 1900-1940*, pp. 666-667; Bureau of the Census, "Oregon Summary of Vital Statistics," *Vital Statistics—Special Report*, XXVI, July 1947, p. 455; Bureau of the Census, *Monthly Vital Statistics Bulletin*, Feb. 1948.

creasing annual number of births from 35,000 in 1949 (the estimate for 1948 is 35,500) to 30,000 annually in 1960.

No attempt has been made to determine mortality for the group to be born 1949-1960. The numbers for the years 0-11 can be considered as surviving groups.

Beginning with the 12-year old group, mortality after 1948 was computed and combined with the annual rates of immigration of 1 per cent and 2 per cent. The mortality of 12-, 13-, and 14-year olds was computed from Table I.

For the remainder of the age groups the life tables were used—comparing the number at the beginning of a year of age with that of the beginning of a year of age twelve years later. The following illustrates the procedure for all groups 15 and over in 1960: for the group aged 3-7 in 1948, which will be 15-19 in 1960, the mortality loss was computed by comparing the number on the life table at the beginning of the year of age 5 and the year of age 17. The per cent of mortality loss for white males and white females was averaged.

An annual rate of increase of 1 per cent a year will equal 12.68 per cent in twelve years; a rate of 2 per cent. 26.82 per cent in twelve years. From these twelve-year cumulative increases the mortality for each group was subtracted; the remainder was the percentage by which the 1948 estimates were increased to produce the estimates for 1960 as shown in Table VIII.

TABLE VIII. OREGON POPULATION ESTIMATES FOR 1960

Age in 1960	*Births*	*Estimated 1948 Mortality for 12 Yrs.*	*Estimate at Rate of 1% per Year*	*Estimate at Rate of 2% per Year*	*Estimate with Uneven Age Immigration*
0- 1	30,000	—	30,000	30,000	30,000
1	30,000	—	30,300	30,600	30,300
2	31,000	—	31,623	32,252	31,623
3	31,000	—	31,939	32,897	31,939
4	32,000	—	33,299	34,637	33,299
			(157,161)	(160,386)	(157,161)
5	32,000	—	33,632	35,331	33,632
6	33,000	—	35,030	37,165	35,030
7	33,000	—	35,379	37,907	35,379
8	34,000	—	36,815	39,834	36,815
9	34,000	—	37,186	40,633	37,186
			(178,042)	(190,870)	(178,042)
10	35,000	—	38,661	42,350	38,661
11	35,000	—	39,050	43,519	39,050
12	35,500	.0448	38,411	43,431	38,411
13	37,497	.0156	41,667	46,969	41,667
14	32,711	.0136	36,414	41,039	36,414
			(194,203)	(217,308)	(194,203)
15-19	144,538	.012	161,131	181,655	161,131
20-24	116,525	.015	129,552	146,026	146,026
25-29	104,932	.021	116,034	130,871	130,871
30-34	107,157	.025	118,066	133,217	133,217
35-39	120,250	.031	131,770	148,773	131,770
40-44	117,653	.040	127,865	144,501	127,865
45-49	118,333	.056	126,829	143,443	126,829
50-54	110,758	.080	115,941	131,603	115,941
55-59	99,283	.127	99,263	113,302	99,263
60-64	95,480	.170	91,355	104,856	104,856
65-69	93,037	.242	82,319	95,475	95,475
70-74	85,978	.344	67,304	79,461	79,461
75-79	69,142	.481	44,652	54,429	54,429
80-84	52,156	.644	25,181	32,556	32,556
85+	73,953	.894	17,216	27,673	27,673
	1,614,883		1,983,884	2,236,405	2,096,769

The assumed birth rates in 1960 are as follows: for the first estimate, 15.1; for the second estimate, 13.4; and for the third estimate, which is based on an unequal age distribution in immigration, 14.3. These rates may be compared with those of the period 1935-1938, when the birth rates were as follows:[15] 1935, 13.2; 1936, 13.6; 1937, 14.8; 1938, 15.3. The estimates for 1960 assume a decline in twelve years to a birth-rate level which obtained twelve years ago.

[15] Bureau of the Census, *Vital Statistics Rates in the United States 1900-1940*, pp. 666-667.

Compared with the 1940 Federal census of 1,089,684 population in Oregon, the first estimate, 1,983,884, is an increase of 82.1 per cent; the second, 2,236,405, is an increase of 105.2 per cent; the third, 2,096,769, is an increase of 92.4 per cent. How these compare with Oregon's past rates of growth is shown in Figure 2.

The age distribution on the estimates is shown in Table IX; Whelpton's estimates for the nation as a whole, including all classes, are also shown for purposes of comparison.

If the age distributions of the three estimates and the distribution of Whelpton's estimates are compared, the first observation probably would be that the estimates made here are somewhat heavier in the childhood and youth age groups and for the retirement ages and somewhat lighter for the intervening years. The presence of the 10-14 age group as the largest age group has already been commented upon. If the assumptions of fairly even immigration through all ages hold, the state can also look for a considerably larger proportion of old people. The 1960 estimates for the older ages are based on the 1948 estimate, which also assumed at rate of immigration since 1940 equal to that of other age groups. For these reasons the estimates for the ages over 65 may be too high.

The distribution of the 1960 population among the several counties depends both upon the total state population of that date and on the nature of trends during the next twelve years. The writers are inclined to accept the middle

TABLE IX. AGE DISTRIBUTION, OREGON, 1960

Age	*Est. 1*	*Est. 2*	*Est. 3*	*Whelpton 1**	*Whelpton 2†*
0- 4	7.9	7.1	7.5	7.0	7.7
5- 9	9.0	8.5	8.5	7.7	8.2
10-14	9.8	9.7	9.3	8.3	8.4
15-19	8.1	8.1	7.7	9.0	8.8
20-24	6.5	6.5	7.0	7.3	7.1
25-29	5.8	5.8	6.2	6.8	6.6
30-34	5.9	6.0	6.5	7.4	7.2
35-39	6.6	6.6	6.4	7.7	7.5
40-44	6.4	6.5	6.1	7.2	7.0
45-49	6.4	6.4	6.0	6.8	6.6
50-54	5.8	5.9	5.5	6.1	5.9
55-59	5.0	5.1	4.7	5.3	5.3
60-64	4.6	4.7	5.0	4.5	4.4
65-69	4.1	4.3	4.6	3.7	3.7
70-74	3.4	3.5	3.8	2.7	2.7
75+	4.4	5.1	5.5	2.8	2.8

* P. K. Whelpton, *op. cit.*, p. 76, table for medium fertility, medium mortality, and no migration; table is for the United States.

† *Ibid.* p. 90, table for high fertility, low mortality, and no migration; table is for the United States.

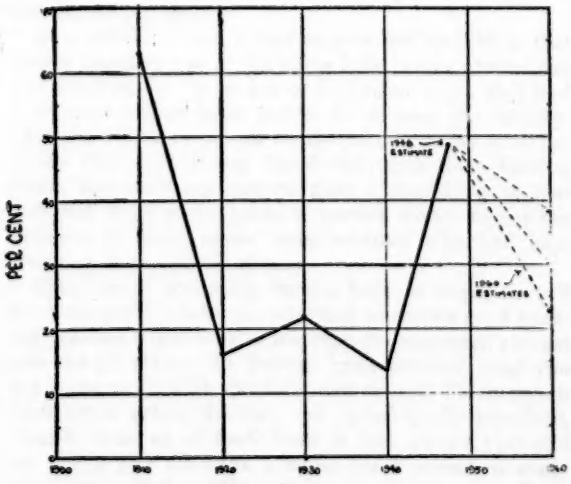


FIGURE 2. GROWTH RATES BY DECADES AND OTHER PERIODS 1900-1960

of the three estimates for 1960, close to 2,100,000, as their choice. This estimate means a smaller gain for the next twelve years than that experienced during the last eight. In percentage, the gain will be under 30 per cent, compared to a 48 per cent increase for the eight-year period 1940-1948. The question now arises as to the distribution of this 2,100,000 within the state.

Population Distribution. The writers assume that the southwestern section of the state will continue to experience the highest rate of growth up to 1960. It is our estimate that this area will bear a poulation of not less than 300,000 in the year 1960, an increase of about 100,000 over present population.

TABLE X. ESTIMATED POPULATIONS 1948 AND 1960 FOR FIVE AREAS OF OREGON

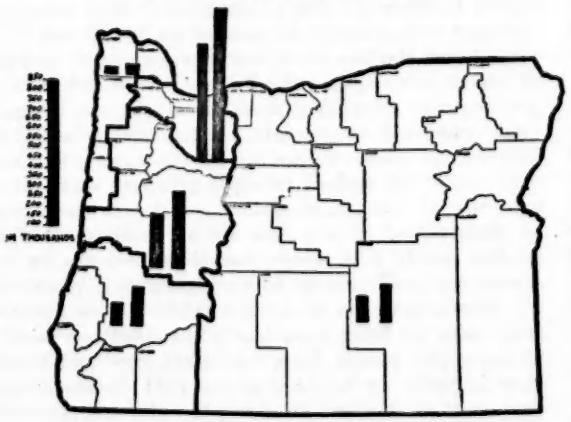
	Adjusted Estimate for 1948	*Medium Estimate for 1960*
Eastern Oregon (18 counties)	249,000	300,000
Southwestern Oregon (5 counties)	204,000	300,000
Upper Willamette Valley (6 counties)	363,000	500,000
Northwestern Oregon (4 counties)	111,000	150,000
Portland area (3 counties)	688,000	847,000
State of Oregon	1,615,000	2,097,000

The eighteen counties of Eastern Oregon should also reach the 300,000 mark by 1960. Here, however, the increase is smaller, some 51,000. Increased irrigation, increased cheap power, and improved water transportation should add to the number of farm families and town workers.

The upper Willamette Valley should experience an increase of 137,000 and approach the half-million mark. This section includes the area of greatest development of intensive agriculture, and is second only to the Portland area in industrial development. It also contains large timber areas, especially in the southern section. The section will also claim its share of retiring migrants from other states.

About 40,000 should be added to the four northwest counties. While much of this increase will represent retirants, growing industry and tourist services will share

OREGON POPULATION, 1948 AND 1960, BY AREAS



in accounting for the 150,000 persons who may be found in these four counties by 1960.

The three counties of the Portland metropolitan area should have a population of some 864,000 in 1960, a twelve-year increase of about 160,000. This estimate rests upon the assumption that, with increasing power, major industrial development will continue in this area.

Desirable Business Policies For Today Suggested

(Continued from page 1)

the new situation. We have, in my opinion, such a situation today.

It has been my observation that, when governmental bodies, business concerns, and individuals follow a budget, they do much better financially than when they do not. It seems that the mere putting down of regular operating expenses in an orderly manner, and the estimating of prospective income as closely as possible, in themselves insure a logical appraisal that usually results in solvency and profit. Budgeting is simply advanced thinking, planning, and scheduling. It involves the adjustment of expenses and commitments to prospective income. It is not a straitjacket; rather it hoists a warning sign when the firm approaches red-ink territory on the downswing; and on the upswing it helps translate increased sales into increased net profits.

It appears that the most pressing requirement for the wholesaler and his dealers this year is to be nimble and flexible in inventory policies. In the war and postwar years, including 1948, the dealer knew he could sell all the merchandise upon which he could get delivery. As a result, many bought a considerable volume of gadgets, quick-sale items, and a good deal of rubbish in an effort to have something on the counter for customers who had good-paying jobs. The Marshall Plan, defense spending, and other unusual economic factors maintained our prosperity during 1946, 1947, and 1948. The dealer was pretty well able to clean his shelves of nonessential items durir this period. Last year some of the old durable-goods items reappeared in fair volume—steel goods, builder's hardware, tires, ammunition, guns, electrical appliances, and washing machines, to mention a few. But it was still hard to get nails, galvanized pipe, galvanized sheets, automobiles, and small electrical appliances. Right now, with the exception of a few items in the latter list, orders are being filled. I think that by the middle of this year the dealer may be able to afford the luxury of leisurely and discriminating buying.

As a matter of fact, manufacturers had an inkling that poorer business was in the offing long before wholesalers and retailers. By November or December 1948, they had filled back orders from customers all over the country. This was a little surprising to distributors, many of whom at the first of this year found that, with their backlog down, inventory was heavier than it should be, so that they had to go to the banks to borrow money to pay the invoices of these astute manufacturers who had kept closer to the economic picture.

Speaking of borrowing from a bank, it might be well to review the fundamental rules that constitute good banking practice. First, borrow less than the minimum amount you can get along with. Second, know precisely what you are going to do with the borrowed money. Third, pay it back on or before the date you optimistically promised. Fourth, clean up all bank loans at least once a year and try not to owe the bank a dollar for a period of abo three consecutive months sometime during the year. These rules do not vary much.

Most businessmen, I am sure, believe they will not do

as great a volume of business in 1949 as they did in 1948—consequently their expectation is for lowered earnings. We are going to have to work harder for fewer orders; some items will be sold at a shortened price; and a larger portion of our net will go into our tax bill. The sad part of the tax situation is that there is nothing on the horizon that gives hope for a happier situation in the future. Gross corporate profits, total national income, industrial production, and the value of the national product for 1948 exceeded that of every previous year. With the business machine rolling at such high speed, the best opinion is that it will not slow up very much in 1949—but there is no hope for a larger return to the investor.

With the many new avenues for sales created by increased population, growing towns, and the invention of new items for utility and comfort, the hardware dealer, as well as the wholesaler and manufacturer, finds new competitive problems. Each dealer must give serious thought to such prime factors as the shifting of markets, new towns, increased freight rates, the narrowing of geographical wage differentials, the exhaustion of certain sources of raw material, and the growth of large chains and cooperatives.

These problems refer principally to the national competitive situation; but the competition from the man in the store across the street should not be forgotten. He is just as smart as you, his sources of supply are just as good, his clerks just as loyal, he belongs to the same Chamber of Commerce. The best way to hold your own is to make him your friend, cooperate with him, exchange ideas, compare costs, and give him a hand when he is in trouble.

Because of the need of keeping flexible in inventory policies and of watching bank loans, and because of the probability of lower net earnings and of new competitive problems, each dealer should know the statistics of his own business. Statistics are no good unless they are put to use. A good merchant no longer acts on hunches or personal desires; he wants figures which show past and present performance; from these he may graph the trends. I recommend that liberal use be made of statistics, that businessmen plot their own graphs and charts and rely very largely on what they show. One of the key graphs that should be computed monthly would show in different colors of ink the following information: sales volume, inventory, turnover, and a target line or bull's-eye to shoot for. Another should show operating expenses broken down into such basic items as salaries, rentals, taxes, etc. In our own wholesale business we use such graphs continuously so that we can see trends and results at a glance without laboriously computing rows of figures. They are always revealing and sometimes contrary to our impressions.

Some merchants and distributors could not even come close if they were asked how much money they made in a given period. They are hazy about the value of their inventory, the value of goods on order from their suppliers, their total receivables, and how much has been owing longer than thirty days. They only hope that their combined bills, notes, and bank loans match fairly closely their receivables. They have not laid away enough money to pay their taxes, nor do they have a clear or accurate idea of how much of their merchandise can be classed as obsolete.

One can never go wrong in suggesting that collections should be watched, and a warning now is certainly timely. There is no doubt that more business firms fail because they neglect to collect what is owing them than for any other reason. During the past ten years very few of us lost money because of nonpayment of bills; but the time is now here when our bookkeepers and credit men must again put on their hats and pound the pavements to find out why John Jones, Bill Smith, and Tommy Olsen are neglecting to pay. Our credit policy should be selective, but with enough flexibility to serve the common interests of the public, our customers, our manufacturers, and ourselves.

In these late years of high sales volume, many of us have forgotten about a sales stimulant that was formerly used, the sales contest. In addition to increasing volume, sales contests are useful in stimulating creative selling ideas, arousing customer interest in selling personnel, introducing new products, acquiring new accounts, and increasing sales on slow moving items.

Do not let your displays get old or dusty—because of the work involved, we are prone to let the arrangement remain another week in spite of the fact that our experience has shown that every change is followed by a revival of sales.

Manufacturers and wholesalers have proven the value of schools for employee instruction; retailers may obtain the same benefits. I do not necessarily mean classes after hours, although they are desirable for stores with sizeable staffs. What I mean principally is that the boss of the business should take a few minutes today and a half hour tomorrow to tell a new, or even an old, saleman why he should push the sale of certain articles, why prices have changed, why a higher-priced article may be the cheapest in the long run, the need for cheerful and efficient service, why invoices should be correct, etc. Employees know the difference between instruction and remarks that are critical. Do not forget that the main incentive is a well-paid job in comfortable surroundings. The forty-eight-hour week is gone forever. Businessmen must accustom themselves to social benefits, including life insurance and pension systems, that are extended to employees as their right, but which are also profit builders for the firm.

Another problem that deserves attention is whether business quarters should be rented or purchased. There is still plenty of money in the country, and many financial institutions are finding it difficult to meet expenses and still pay dividends when the majority of their investments are in low-earning government securities. The larger insurance companies are buying office and industrial buildings and warehouses and renting them. This has the double-barreled effect of giving a higher return to the insurance companies, while the tenant has the tax benefit of treating the rental as an expense of his business. He also has the advantage that his capital is in his inventory where it can be turned over several times a year.

Other matters which retailers should ponder are advertising, installment sales, increased operating efficiency, and material-handling equipment, to mention just a few.

It must also be kept in mind that the future of individual American business firms is closely associated with the foreign situation, as well as domestic political trends, both of which must be watched closely.

Private nonresidential building totaled $266 million in March, a drop of 4 per cent from February, but equal to that for March 1948.

CURRENT BUSINESS TRENDS IN OREGON

Lumber. Douglas-fir lumber production has been slow in rising from the winter low point. The April 1949 weekly average production in Oregon and Washington was 171,153,000 board feet, which was only slightly higher than the 169,304,000 board feet average production of March. During the first seventeen weeks of 1949, 2,590,693,000 board feet were produced, which was well below the 3,102,229,000 board feet cut during the corresponding period a year ago. Members of the West Coast Lumbermen's Association have stepped up their advertising and promotion campaign, and are endeavoring to aid retail lumber dealers in promotional activities in order to help them in their marketing problems.

Department-Store Sales. Portland department-store sales are comparing more favorably with sales a year ago than was the case during the first four months of 1949. The following table gives the percentage changes in the value of Portland department-store sales compared with the corresponding period a year ago. Sales in other Pacific Coast cities are included to show trends in neighboring metropolises. Because of the lower prices prevailing now, it seems reasonable to assume that the physical volume of goods sold by Portland department stores in the week ending May 7, 1949 was greater than was the case in the corresponding week a year ago.

City	*Week Ending May 7,1949*	*Calendar Year to May 7, 1949*
Portland	− 0	−8
Los Angeles	−10	−9
San Diego	− 3	−4
Oakland	+ 3	−2
San Francisco	+ 5	+2
Seattle	+ 1	−2
Spokane	+ 4	−6
United States	+ 1	−3

Employment. Early in February 1949 Oregon's rate of unemployment climbed to 13.3 per cent, the highest in the nation. By the first of May it had fallen to below the 6 per cent national average. The peak of last winter's unemployment found more than 90,000 persons actively seeking jobs in the state. More than half of these have now found employment, while half the remainder, it is estimated, will be needed in harvests and other seasonal activities. The early spring gains in employment have been due principally to the return of lumbering to a more nearly normal level of activity, and the starting of many construction projects.

The Oregon State Unemployment Commission has published an interesting table showing the rate of unemployment of workers covered by unemployment insurance in the three Pacific Coast states and in the nation for the past two years. This table, reproduced below, shows that the rate of Oregon unemployment generally has been below that of Washington and California, except for the cold spell this past winter.

1949	*U.S.*	*Oregon*	*California*	*Washington*
May	...	5.3	...	...
April	6.1	7.1	11.9	7.6
March	6.1	11.0	12.8	9.9
February	5.6	13.3	11.5	12.3
January	4.9	9.3	9.7	9.9
1948				
December	3.5	6.0	7.6	6.7
November	2.9	4.2	6.0	4.5
October	2.4	2.2	4.8	3.5
September	2.8	2.0	5.3	3.3
August	3.1	2.4	5.8	3.3
July	3.4	2.7	6.4	2.8
June	3.5	2.8	7.8	4.0
May	3.6	3.5	7.3	5.0
April	3.6	4.3	7.8	5.4
March	3.6	5.1	7.4	6.5
February	3.7	6.6	7.0	7.6
January	3.3	6.1	6.6	7.0

BANK DEBITS

Bank debits represent the dollar value of the checks drawn against individual deposits. Approximately 90 per cent of all goods, property, and services is paid for by check. Bank debits are regarded as indicators of the general trend of business, though their value for this purpose may be impaired by substantial changes in the level of prices. The Bureau of Business Research collects bank debits from 114 banks and branches monthly. On occasion, the totals for the same month in different issues of the *Review* are not directly comparable because of necessary adjustments in basic data.

Marketing Districts	*Number of Banks Reporting*	*Debits Mar., 1949*	*Debits Feb. 1949*	*Debits Mar. 1948*	*Mar. 1949 compared with Feb. 1949*	*Mar. 1949 compared with Mar. 1948*
Oregon	97	$898,538,501	$702,482,561	$925,222,167	+27.91%	− 2.89%
Portland (Portland, Hillsboro, Oregon City, etc.)	27	561,759,636	448,927,995	578,918,748	+25.13	− 2.96
Lower Willamette Valley (Salem, McMinnville, etc.)	11	81,760,451	60,068,820	73,278,030	+36.11	+11.57
Upper Willamette Valley (Albany, Corvallis, Eugene, etc.)	13	80,937,793	57,866,516	87,187,044	+39.95	− 7.11
North Oregon Coast (Astoria, Tillamook, etc.)	5	17,590,952	15,072,564	20,884,203	+16.71	−15.77
Douglas, Coos Bay	5	27,062,420	19,347,112	25,846,240	+39.88	+ 4.71
Southern Oregon (Ashland, Medford, Grants Pass)	6	33,834,543	27,050,743	38,100,322	+25.08	−11.20
Upper Columbia River (The Dalles, Hood River, etc.)	7	15,529,689	11,776,287	14,831,192	+31.87	+ 4.36
Pendleton area	6	21,221,057	14,629,240	15,790,931	+45.06	+34.39
Central Oregon (Bend, Prineville, Redmond)	4	15,754,504	12,357,595	17,027,349	+27.49	− 7.48
Klamath Falls, Lakeview area	4	15,304,790	14,359,646	27,796,415	+ 6.58	−44.94
Baker, La Grande area	6	17,162,415	13,394,632	15,742,191	+28.13	+ 9.02
Burns, Ontario, Nyssa	3	10,570,251	7,631,411	9,769,002	+38.51	+ 8.20

BUILDING PERMITS

Building permits give an indication of building operations planned rather than actual construction under way. Care must be taken, in interpreting these data, to allow for the lag which may elapse between the issuance of the permit and the beginning of actual construction. The data have been collected by the Bureau of Business Research.

	New Residential Mar. 1949	*New Nonresidential Mar. 1949*	*Additions, Alterations and Repairs Mar. 1949*	*Totals Mar. 1949*	*Totals Mar. 1948*	*Totals Feb. 1949*
Astoria	$ 25,000	$ 15,000	$ 9,157	$ 49,157	$ 52,255	$ 30,170
Bend	64,800	92,260	6,450	163,510	132,370	17,450
Coos Bay	38,500	3,000	2,900	44,400	39,610	23,300
Corvallis	16,000	78,500	14,060	108,560	49,595	8,330
Eugene	350,100	1,065,325	42,305	1,457,730	1,304,762	348,965
Grants Pass	74,276	8,420	29,724	112,420	151,509	50,155
Klamath Falls	12,000	6,950	19,624	38,574	118,024	17,340
La Grande	10,000	10,500	11,830	32,330	6,775	5,500
Medford	431,700	63,860	12,850	508,410	384,465	70,550
Oregon City	27,500	27,040	13,350	67,890	40,370	1,085
Pendleton	46,398	7,950	19,100	73,448	88,945	33,216
Portland	1,803,450	501,355	635,855	2,940,660	7,274,045	3,021,690
Salem	197,150	113,300	89,336	399,786	481,800	103,715
Springfield	70,900	7,200	4,150	90,250	90,675	42,280
The Dalles	48,200	7,100	10,700	66,000	94,675	19,040
18 other communities	323,150	174,400	97,435	594,985	552,930	281,975
Totals	$3,547,124	$2,122,160	$1,018,826	$6,748,110	$10,862,805	$4,074,791